


THE SECRETARY OF STATE  
WASHINGTON

April 16, 1981

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MEMORANDUM FOR: THE PRESIDENT  
FROM: Alexander M. Haig, Jr.   
SUBJECT: Saudi AWACs and F-15 Enhancement Package

The impending sale of F-15 enhancement items and an airborne warning and control system (AWACS) to Saudi Arabia threatens us with a serious setback on Capitol Hill. Current information about Congressional opposition to the sale suggests one of two outcomes: (1) defeat by the Senate, ruining our carefully nurtured credibility with the Saudis and everyone else; (2) a narrow victory, costly in Presidential energy and prestige and damaging to Republican cohesion, our relations with Israel and our potential support from the pro-Israeli coalition in the United States.

Clearly, the Congress should not be allowed to dictate our foreign policy. But the controversy that has been aroused in particular by the AWACS portion of the package suggests that our approach should be refined if we are to obtain maximum Congressional support.

Therefore, I recommend that you convene a very restricted NSC Planning Group meeting early next week to discuss: (1) The timing of the notification of the sale; (2) the technical details and operating modes of the AWACS system; (3) the measures we should take to fulfill our pledge to maintain Israel's qualitative military advantage.

These elements are interrelated and should be kept in balance if we are to achieve our objectives of reinforcing Saudi security without harming Israel's defense capability.

(1) Timing: There are powerful reasons to postpone notification of the sale until after the Israeli elections at the end of June.

-- Notification during the height of the Israeli election campaign would only increase Israeli opposition to the package and, perhaps, provoke antagonism to U.S. Middle East policy in general;

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-- The other side has already been very active in organizing the opposition in Congress, putting us at a decided disadvantage. Early notification virtually guarantees reinforcement of the hasty and negative reactions seen so far. A delay would enable us to organize support.

-- After discussions with the Saudis, it is clear to me that the timing of the notification is less important to them than keeping the AWACS sale and the enhancement package together when we approach the Congress. In practical terms, delivery dates would not be affected.

(2) Technical and Operational Questions: Critical details about operation of the AWACS and the specific equipment associated with the aircraft have not yet been worked out, putting us in a poor position to answer the questions of the Congress.

-- Are joint operations of the system possible, on the model of those we have with our NATO allies?

-- If joint operations are not possible, should we not restrict the capabilities of the aircraft and ground-based equipment to a less potent system, such as the one we were prepared to sell Iran a few years ago?

-- What provisions have been made or can be made for the U.S. to use the information obtained by the system?

To answer these questions we need additional time and hard work by everybody, especially the Defense Department. This work and the accompanying decisions should be completed before we send the package to Congress.

(3) Israel's Defense Problems: Israel's defense costs are an extreme burden on the country's economy. In addition, Israel's defense strategy is based on early warning and intelligence. The Israelis require both financial assistance and other steps to assure them that their military edge and strategic value to us will be sustained.

-- I continue to believe that we should soften the terms of the \$600 million in credits promised when we first discussed the F-15 enhancement package.

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-- The Israelis and their supporters are extremely anxious about the possibility that the AWACS, with its air surveillance capability, constitutes a dangerous shift in the "intelligence balance" in the area. To reduce this anxiety, will require an optimum balance amongst the timing of the submission, the technical package itself and the measures of reassurance and financial assistance.

As we formulate our detailed strategy, we shall consult over the weekend with Senator Baker who has developed related views during his Middle East trip.

In sum, I believe the National Security Council Planning Group should meet early next week to consider the timing of the AWACS notification, the technical and operational questions still unanswered, and the impact of the sale on Israel's security.

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